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DA 11-1173

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## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF TEL WEST NETWORK SERVICES CORPORATION TO U.S. TELEPACIFIC CORP.

## STREAMLINED PLEADING CYCLE ESTABLISHED

**WC Docket No. 11-112** 

Comments Due: July 21, 2011 Reply Comments Due: July 28, 2011

On June 29, 2011, Tel West Network Services Corporation (Tel West) and U.S. TelePacific Corp. (TelePacific) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules<sup>1</sup> to transfer control of Tel West to TelePacific.

Tel West, a Washington corporation, provides competitive data and voice telecommunications services to business customers in Texas. It is the general partner of ICG Choicecom, L.P., a Texas limited partnership that provides intrastate competitive telecommunications services in Texas. Tel West is wholly owned by Jeff Swickard, a U.S. citizen. TelePacific, a California corporation, provides competitive local exchange carrier (LEC) and long distance services to business customers in Nevada and California. TelePacific's U.S. based affiliates, Mpower Communications Corp. and Arrival Communications, Inc., also provide competitive telecommunications services in Nevada and California. U.S. TelePacific Holdings Corp. (TPAC Holdings), a U.S. based holding company, owns 100 percent of Telepacific. The following entities own or control 10 percent or more of TPAC Holdings: Investcorp S.A. (39.6 percent), <sup>3</sup> a Cayman Islands investment entity, and Clarity Partners, L.P., a U.S. based

<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

<sup>&</sup>lt;sup>2</sup> Telepacific Managed Services, a wholly owned subsidiary of Telepacific, has a domestic section 214 application pending to acquire assets of IXC Holdings, Inc., a competitive LEC and long distance provider in California and Nevada. *Domestic Section 214 Application Filed for the Acquisition of Assets of IXC Holdings, Inc. by Telepacific Managed Services*, WC Docket No. 11-85, Public Notice, DA 11-927 (rel. May 19, 2011); *Notice of Removal of Domestic Section 214 Application from Streamlined Treatment*, WC Docket No. 11-85, Public Notice, DA 11-1035 (rel. June 10, 2011).

<sup>&</sup>lt;sup>3</sup> Investcorp S.A.'s 39.6 percent interest is held indirectly through control of various corporations. Of these corporations, only TelePacific Equity Limited individually owns or controls more than 10 percent of TPAC Holdings. Applicants state that all of the intermediate corporations and the approximate magnitudes of their interests are as follows: Investcorp Properties Limited (2.1 percent); Investcorp International, Inc. (1.9 percent); Investcorp TPC L.P. (5.9 percent); and Investcorp Secondary Partners I, L.P. (7.4 percent). In addition, Investcorp

investment entity (23.97 percent).<sup>4</sup> Clarity GenPar, LLC, a U.S. based investment entity, owns 4.31 percent and is the general partner of Clarity Partners, L.P. The following U.S. citizens own or control 25 percent or more and are managing members of Clarity GenPar, LLC: Barry Porter, Stephen P. Rader, and David Lee. Investcorp Holdings Limited, a Cayman Islands holding company, owns 100 percent of Investcorp S.A. Investcorp Bank B.S.C., a Bahrain investment bank, owns 100 percent of equity and 22.1 percent voting control in Investcorp Holdings Limited. CP Holdings Limited, a Cayman Islands investment entity, has 40.4 percent voting control in Investcorp Holdings Limited. CP Holdings Limited and Ownership Holdings Limited, also a Cayman Islands entity, own 40.4 and 19.8 percent, respectively, of Investcorp Bank B.S.C. Ownership Holdings Limited, in turn, owns 55.6 percent of CP Holdings Limited. SIPCO Limited, a Cayman Islands entity, owns 63.4 percent of Ownership Holdings Limited, and SIPCO Holdings Limited, a Cayman Islands entity, owns 100 percent of the voting stock of SIPCO Limited. Applicants state that SIPCO Holdings Limited is managed by the following individuals: Mr. Nemir Kirdar (Great Britain citizenship), H.E. Abdul-Rahman Salim Al-Ateegi (Kuwait citizenship), Mr. Abdul Aziz Jassim Kannoo (Saudi Arabia citizenship), Mr. Mustafa Jassim Boodai (Kuwait citizenship), Mr. Hussain Ibrahim Al-Fardan (Qatar citizenship), and Ms. Stephanie Bess (U.S. citizenship). Applicants further state that no other individual or entity owns or controls more than 10 percent directly or indirectly of Telepacific.

Pursuant to the terms of the proposed transaction, TelePacific will acquire 100 percent of the stock of Tel West, and Tel West will be a direct, wholly owned subsidiary of TelePacific. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>5</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Tel West Network Services Corporation to U.S. TelePacific Corp., WC Docket No. 11-112 (filed June 29, 2011).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before July 21, 2011,** and reply comments **on or before July 28, 2011.** Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice. Comments should be filed using the Commission's Electronic Comment Filing System (ECFS). See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

S.A., or a wholly owned subsidiary of Investcorp S.A., has entered into revocable management agreements to direct the voting and disposition of the stock held by Aguanga Limited (2.3 percent); Cahuilla Limited (2.3 percent); Fallbrook Limited (2.3 percent); Palmas Limited (2.3 percent); TelePacific Holdings Limited (1.1 percent); TelePacific Equity Limited (11.9 percent). All of these entities are Cayman Islands companies, with the exception of Investcorp Properties Limited and Investcorp International, which were formed in Delaware.

<sup>&</sup>lt;sup>4</sup> Clarity Partners, L.P., a Delaware limited partnership, holds a 20.71 percent interest in TPAC Holdings. Two Delaware limited partnerships, Clarity Advisors, L.P. and Clarity Associates, L.P., hold 2.98 percent and 0.28 percent in TPAC Holdings, respectively. The general partner of each of these Delaware limited partnerships is Clarity GenPar, LLC.

<sup>&</sup>lt;sup>5</sup> 47 C.F.R. § 63.03(b)(2)(i).

<sup>&</sup>lt;sup>6</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

• Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://fjallfoss.fcc.gov/ecfs2/.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson at (202) 418-1394 or Jodie May at (202) 418-0913.